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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

7193

May 9, 2016

Eric C. Olsen
Deseret Power
12500 East 25500 South
Vernal, Utah 84078

Subject: Approval of Amended Notice of Intention to Commence Large Mining Operations and Reclamation Surety, Deseret Electric Power Cooperative, Diamond Mountain Resources Mine, M/047/0066, Uintah County, Utah

Dear Mr. Olsen:

The Division of Oil, Gas and Mining approves the amended Notice of Intention to Commence Large Mining Operations (Notice) and reclamation surety for the Diamond Mountain Resources mine. The permitted disturbed area remains at 53 acres, but the reclamation surety has increased from \$275,000 to \$441,000. The surety will be due for escalation in 2020. A copy of the executed surety documents is enclosed, and a copy will be forwarded to the U.S. Forest Service office for their records. The surety will be reviewed periodically to assure it remains adequate.

Also enclosed with this letter is a copy, stamped approved, of revised pages of the Notice.

The approval or acceptance of a complete notice of intention does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations.

Thank you for your help and patience in finalizing this permitting action. Please call April Abate at 801-538-5214 if you have questions regarding this approval.

Sincerely,

Paul B. Baker
Minerals Program Manager

PBB: aa: eb

Enclosure: Reclamation contract and surety; approved Notice

cc: Dave Herron, Ashley National Forest (daherron@fs.fed.us) w/Encl

Matt Cazier, Uintah County, mcazier@uintah.utah.gov

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